

# COW - CALF PRODUCTION

## COSTS AND RETURNS 1997 - 1998

ITEM	UNITED STATES		HEARTLAND		EASTERN UPLANDS	
	1997	1998	1997	1998	1997	1998
Gross value of production:	Dollars Per Bred Cow					
Steer calves	130.39	129.55	151.85	150.19	114.97	114.48
Heifer calves	80.91	80.48	102.34	101.54	91.58	91.74
Yearling steers	92.70	87.67	33.80	31.64	48.42	47.17
Yearling heifers	39.36	37.35	10.45	9.82	21.52	20.89
Other cattle	70.91	67.93	64.18	60.95	58.27	57.52
Total, gross value of production	\$414.27	\$402.98	\$362.62	\$354.14	\$334.76	\$331.80
Operating costs:						
Feeder cattle	38.45	36.49	67.77	63.52	10.99	11.07
Feed:						
Concentrates and other feed	29.17	26.95	30.95	26.36	26.95	23.83
Supplemental feed	19.19	15.06	41.40	33.03	14.84	11.89
Harvested forages	114.71	99.11	323.91	258.50	80.46	85.14
Cropland pasture	13.25	13.23	13.20	14.80	4.02	4.09
Private pasture	114.17	99.09	68.10	69.94	69.10	66.99
Public land	2.52	1.99	0.34	0.35	0.40	0.37
Total, feed costs	\$293.01	\$255.43	\$477.90	\$402.98	\$195.77	\$192.31
Other:						
Veterinary and medicine	21.64	22.04	37.36	39.30	15.18	15.46
Bedding and litter	0.37	0.37	1.17	1.20	0.53	0.52
Marketing	5.80	5.86	4.10	4.29	6.62	6.66
Custom operations	30.48	31.02	39.03	41.01	25.42	26.22
Fuel, lube, and electricity	19.13	19.14	16.17	16.18	15.66	15.66
Repairs	24.87	25.34	28.27	29.66	24.30	24.91
Interest on operating inputs	10.98	10.28	16.97	15.83	7.62	7.16
Total, operating costs	\$444.73	\$405.97	\$688.74	\$613.97	\$302.09	\$299.97
Allocated overhead:						
Hired labor	2.98	3.12	0.46	0.48	2.74	2.84
Opportunity cost of unpaid labor	223.82	229.58	183.33	188.27	140.04	144.12
Capital recovery of machinery and equipment	127.02	122.54	257.18	254.55	167.02	166.29
Opportunity cost of land	2.23	2.26	5.01	5.10	2.26	2.10
Taxes and insurance	31.13	32.92	41.37	43.53	30.38	32.07
General farm overhead	63.41	60.00	87.80	82.69	56.89	53.23
Total, allocated overhead	\$450.59	\$450.42	\$575.15	\$574.62	\$399.33	\$400.65
Total cost listed	\$895.32	\$856.39	\$1,263.89	\$1,188.59	\$701.42	\$700.62
Value of production less total costs listed	-481.05	-453.41	-901.27	-834.45	-366.66	-368.82
Value of production less operating costs	-30.46	-2.99	-326.12	-259.83	32.67	31.83

The costs and returns estimates for some commodities will appear different this year than in the past. For corn, soybeans, cotton, grain sorghum, peanuts, and cow-calf enterprises, Economic Research Service is revising its accounting methodology to conform with the new stands recommended by the American Agricultural Economics Association (AAEA) Task Force on Commodity Costs and Returns. For these same commodities, ERS is publishing regional estimates using new resource regions. Western Kentucky is considered Heartland while eastern Kentucky is included in Eastern Uplands.